**Introduction**

This Request is the first call for expressions of interest by Israeli Companies initiated within the framework of the collaborative industry research and development program envisioned in the Agreement between the ISRAEL INNOVATION AUTHORITY and the GEORGIA DEPARTMENT OF ECONOMIC DEVELOPMENT’S CENTERS OF INNOVATION on Bilateral Cooperation in Industrial Research and Development, which was signed on the 7th of June 2018.

This Request for Application for Expressions of Interest is being simultaneously issued by the designated cooperating authorities (the Israel Innovation Authority (IIA) and the Georgia Centers of Innovation, a Division of the Georgia Department of Economic Development., respectively). The program for which this application is the initial step in a process that will provide joint funding of projects between the Southern Company in Atlanta, Georgia and Israeli companies with innovative technologies in the designated areas of interest below. Southern Company will be allocating up to $1 million per year for support of projects under this program which will be matched by the IIA and the Israeli company as per the IIA funding rules.

This Request for Application is designed to promote opportunities for conducting joint industrial R&D projects between entities from Israel and the Southern Company. Joint projects awarded through this program will be funded through existing funding mechanisms accessible to IIA and Southern Company, including its subsidiaries, respectively, and may be leveraged by other investments consistent with the policies and procedures of each state and Company.

IIA, the Georgia Centers of Innovation and Southern Company expect that potential collaboration partners in Israel will collaborate with the Southern Company to identify projects of interest, but will consider any applications from Israeli companies relevant to the interests of IIA, the state of Georgia and the Company. The IIA holds a database of Israeli technology companies and provides “on-demand” partner matching services. Southern Company has direct access to its company database of established companies in the technology domains that are the focus of this Request for Applications.

**Technological Fields**

The main objective of this Request is to stimulate generation and development of new or significantly improved products or processes for commercialization in global markets. The focus of this Request for Applications will be on the following technology domains:

1. Vehicle Automation, Electrification, Safety Systems and related areas
2. Advanced Materials
3. Sustainable Energy / Water / Agriculture Systems
4. Public Safety / Homeland Security
5. Smart Home/Energy Efficiency/Aging in Place
6. Data collection and analytics
7. Systems to improve utility operations and maintenance
8. Distributed energy resource management
9. Marketing and customer relations systems

Applications having potentially high impact will be accepted in technology domains beyond the areas specified above.

**Mode of Collaboration**

This Request offers a parallel funding track for collaborations: companies from Israel will be funded for their activities in the joint R&D project by IIA and SOUTHERN Company, respectively. However, partners from Israel may choose to self-fund their part in the project without applying for a grant. Those cases must be approved in advance by the cooperating authorities.

Given the collaborative nature of the projects envisioned, funding from IIA is contingent on the proposed projects receiving funding from Southern Company, or certifying it will self-fund its participation. Similarly, funding from Southern Company is contingent on the Israeli company receiving funding from IIA, or certifying it will self-fund its participation.

The projects are expected to be balanced in terms of budget, contribution and expected gain for both Israeli and Southern Company partners. Generally, projects where both parties have at least 30% of the budget and technical contribution will be considered as balanced for the purposes of this Application.

**Eligible Participants**

Industrial R&D projects must involve at least one Israeli R&D company and Southern Company. Participation by research institutions/universities as subcontractors on the project is welcome, consistent with the regulations in effect for each funding organization.

1. Israeli companies must be R&D performing companies registered and operating in Israel.
2. For a collaborative project to be eligible for funding, the application must be submitted by an Israeli company ***unrelated*** to Southern Company. For the purposes of this Request for Application, companies are considered unrelated if they have separate legal identities and do not have a parent/wholly-owned or controlled subsidiary relationship. It is permissible that the Israeli and Southern companies may have a prior working relationship, but they may not apply for funding on any specific project where they have executed a collaborative R&D agreement for the same or similar work prior to the date this Request was issued.

**Funding Availability and Restrictions**

1. **Israel:**The Israel Innovation Authority intends to provide conditional grants from the its R&D fund, not to exceed 50% of the eligible and approved costs of the R&D, in accordance with the applicable laws and regulations. Additional funds may be available to companies operating in developing zones. Higher funding levels may apply for pre-competitive applicative research projects. Further details regarding grants and payment of grants (if the project yields sales revenue) are available at the [IIA web site](http://economy.gov.il/RnD/OurArenas/Pages/International_Programs.aspx).
2. **Southern Company:**Southern Company intends to make awards within the criteria identified below. Disbursements will be advanced to the recipient quarterly, consistent with the planned expenses for that quarter, up to the total value of the Southern Company share of the total project cost. Allowable expenses may include direct labor, subcontractors, consultants, equipment purchases directly tied to project goals, consumable materials and supplies, project-related travel, and indirect costs associated with these categories if not being proposed as part of the company’s cost share contribution to the project. No pre-award cost recovery will be permitted.  
     
   Recipients of Southern Company funding will be required to submit quarterly technical and financial reports during the project execution phase, along with a final report at the completion of the project. Additionally, recipient companies will be required to submit annual reports for the five year period following project completion that describe the commercialization activities resulting from the project and the associated jobs created, and revenue achieved within the state of Southern.  
     
   **Project Duration:** not to exceed 24 months from the date of award  
     
   **Maximum award from Southern:** not to exceed $500,000 over the project duration  
     
   **Minimum award from Southern:** not less than $125,000 over the project duration  
     
   **Cost share:** the Southern recipient company will contribute an equal or greater amount of funding toward the approved project than the amount of funding that will be provided by Southern Company. Criteria for qualifying cost share will be provided to applicants upon request. Cost share above the minimum required will be seen as a positive evaluation criteria.

**Number of Awards Anticipated**IIA and Southern Company envision making multiple awards under this Request, depending on the merit of the project proposals, the budgets associated with those proposals, and the overall availability of funds. IIA and Southern Company reserve the right to make no awards if the quality of proposals does not support funding any of the projects under review during the application and proposal cycle.

**Request for Applications – Process**

The submission and approval process will be executed in two phases, as follows:

1. “Bilateral Cooperation Form” specific to the project being proposed. Appendix A contains a copy of this form. This form will include a brief description of the proposed cooperative project, the expected outcomes from the project, and the respective roles of each party in executing the project. The form must be signed by an individual from the applying Israeli company authorized to bind that company legally.

**Note:** a company may submit more than one application to this Request should a company have multiple project opportunities.   
  
**Note:** prior consultation with the respective funding authorities (IIA in Israel and Southern Company in Georgia) is strongly advised.

IIA, the State of Georgia and Southern Company will screen the Bilateral Cooperation Forms and decide whether applicants will be invited to submit a full proposal under the Phase 2 process.

**Note:** an invitation to submit a full proposal in Phase 2 does not imply approval of the full proposal.

**Summary of Phase 1 Requirements**

|  |  |
| --- | --- |
| **Israeli Company** | **Southern Company** |
| Bilateral Cooperation Form (Appendix A) | Bilateral Cooperation Form (Appendix A) |

1. **Phase 2: Submission of Full Proposal**This phase is open only to those companies who have received an invitation to submit a full proposal based upon review of the Phase 1 application.  
     
   Phase 2 will require each company to submit a funding application according to the guidelines and regulations of each respective funding organization (IIA and Southern). Specific forms and/or formats will be provided to those companies invited to submit a full proposal at the time they are issued their invitation to propose.

Participating companies must develop their own cooperation agreement(s) for IP sharing and terms of commercialization. Should the companies’ proposal be selected for award, no funds will be released for execution until the companies have provided documentation of the cooperation agreement(s) that will be in effect for performing the project work. A template outlining the contents expected in the company-to-company cooperation agreement is provided at Appendix B.  
  
Each funding organization will award funding to successful applicants based upon its own guidelines and procedures.

**Summary of Phase 2 Requirements**

|  |  |
| --- | --- |
| **Israeli Company** | **Southern Company** |
| IIA Funding Application (to be provided with the invitation to propose) | Technical and Cost Proposal Forms  (to be provided with invitation to propose) |
| Additional Proposal Forms, as applicable  (to be provided with invitation to propose) | Additional Proposal Forms, as applicable  (to be provided with invitation to propose) |

**Evaluation Criteria**Proposals submitted in response to this application process will be evaluated using the following merit criteria:

1. Technical merit
   1. Significance of the problem being solved / opportunity identified
   2. Degree of innovation in the proposed solution
   3. Technical feasibility
2. Commercial merit
   1. Size of the potential market
   2. Extent to which the need / demand for the product or process can be validated
3. Ability to carry out the proposed research successfully
   1. Soundness of approach and accompanying work plan
   2. Adequacy of management plan
   3. Qualifications of key members of the project team
   4. Strength of the partnership between the Southern and Israeli companies
4. Ability of the companies to commercialize the resulting technology successfully
   1. Current position in the target market
   2. Adequacy of commercialization plan
   3. Ability to secure necessary funding
5. Potential economic benefit
6. Leverage on public investment
   1. Appropriateness of the budget relative to the proposed work plan

**Timeline for Submission and Review**The timeline and associated deadlines for this Request are:

1. **Launch of Request for Expressions of Interest and first date for submitting Phase 1 applications:  2nd July 2018**
2. **Phase 1 application deadline:  4th September 2018**

[Allows 6 weeks for the parties to identify one another, and develop and submit the joint application]

1. **Invitation to submit Phase 2 proposal issued:  13th September 2018**[Allows 2 weeks for the sponsors to review the applications and issue a formal invitation to propose]
2. **Phase 2 proposal submission deadline:  30th October 2018**[Allows 6 weeks for applicants to develop, coordinate and submit their proposals]
3. **Proposal evaluation complete: 31st January, 2019**[Allows 4 weeks for IIA and Southern evaluators to complete their reviews; to recommend support and for the joint committee to determine awards decision]
4. **Notification of award:  15th February 2019**

**Contacts:**

|  |  |
| --- | --- |
| **Georgia**  **Mr. R. Steven Justice**  Executive Director  Georgia Centers of Innovation  Tel: +1 404-962-4926  [sjustice@georgia.org](mailto:sjustice@georgia.org)  **Southern Company**  **Mr. Bruce Edelston**  Vice President – Energy Policy  Southern Company  Tel: +1 404-506-0781  [bsedelst@southernco.com](mailto:bsedelst@southernco.com) | Israel **Mr. Jonathan Cohen**  Program Director – North American Desk  Israel Innovation Authority  Tel: +972-3-511-8155  [Jonathan.Cohen@innovationisrael.org.il](mailto:Jonathan.Cohen@innovationisrael.org.il) |

**Appendices and Attachments:**

* Appendix A: Bilateral Cooperation Form
* Appendix B: Partnership Agreement Skeleton

**APPENDIX A: BILATERAL COOPERATION FORM**

**Instructions:** Both partners applying for the program should fill this form in together and submit it to the two counterpart agencies.

**Note: This form also may be used for partner search / matchmaking requests.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **1. General Information** | | | | | |
| **1.1 Project Title** | |  | | | |
| (Do not exceed 120 characters) | | | | | |
| **1.2 Technology Sector**  **Select from one of the following:**  **(Replace with List Above)**  **1.3 Submission Date**   |  | | --- | |  |   **1.4 Summary** | | | |  |
| (Do not exceed 240 characters) | | | | | |
|  | | | | | |
| **1.5 Project Start Date:** |  | |
|  | | | | | |
| **1.6 Project Stop Date:** |  | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **1.7 Participants’ Contributions** | | | | | |
| **Company Name** | **Country** | **Role of Participant** | **Contribution (%)** | **Budget ($US)** | **Duration (Months)** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| **Total:** |  |  |  |  |  |

|  |
| --- |
| **2. Project Outline** |

**2.1 Project Description including Level of Innovation**

|  |
| --- |
|  |

**2.2 Market Potential and Commercialization Plan**

|  |
| --- |
|  |

**2.3 Cooperation between Participants (IP, synergies, advantages, complementarities, etc.)**

|  |
| --- |
|  |

**2.4 Expected Outcome of Project**

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**2.5 Short profile of the key staff who will be undertaking the work**

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **3. Project Participants – Partner 1** | | | | | | | | | | | | | | |
| **3.1. Participant Profile** | | | | | | | | | | | | | | |
|  | ***3.1.1 General Profile*** | | | | | | | | | | | | | |
|  | Full Name of Company |  | | | | | Registration # | | | | |  | | |
|  | Prior name of Company |  | | | | | Year Established | | | | |  | | |
|  |
|  | Type of Company | HT | R&D | | Research Institute | | | | | University | | | | Other |
|  | Stage | Seed | | R&D | | | | | Initial Revenues | | | | Revenue Growth | |
|  | Ownership | Public | | Private | | | | | Governmental | | | | Other | |
|  | No. Employees |  | | | | No. R&D Personnel | | | | | |  | | |
|  |
|  | ***3.1.2 Company Contact Info*** | | | | | | | | | | | | | |
|  | Address |  | | | | | | | | | | | | |
|  | Country |  | | | | | | Zip Code | | | |  | | |
|  | Telephone |  | | | | | | Fax | | | |  | | |
|  | Website |  | | | | | | E-mail | | | |  | | |
|  | ***3.1.3 Contact Person*** | | | | | | | | | | | | | |
|  | First Name |  | | | | | | Last Name | | |  | | | |
|  | Title |  | | | | | | Function | | |  | | | |
|  | Phone |  | | | | | | Mobile Phone | | |  | | | |
|  | Email |  | | | | | | | | | | | | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | ***3.1.4 Organization Background*** | | | | | | |
|  | General Business Description & Area of Expertise | | | | | | |
|  |  | | | | | | |
|  | Technology Description (Main Products/Services) and IP | | | | | | |
|  |  | | | | | | |
|  | Targeted Customers | | | | | | |
|  |  | | | | | | |
|  | Sales (for last 3 years) | | | | | | |
|  | | Current year (i) |  | i-1 |  | i-2 |  |

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| **4. Project Participants – Partner 2** | | | | | | | | | | | | | | |
| **4.1. Participant Profile** | | | | | | | | | | | | | | |
|  | ***4.1.1 General Profile*** | | | | | | | | | | | | | |
|  | Full Name of Company |  | | | | | Registration # | | | | |  | | |
|  | Prior name of Company |  | | | | | Year Established | | | | |  | | |
|  |
|  | Type of Company | HT | R&D | | Research Institute | | | | | University | | | | Other |
|  | Stage | Seed | | R&D | | | | | Initial Revenues | | | | Revenue Growth | |
|  | Ownership | Public | | Private | | | | | Governmental | | | | Other | |
|  | No. Employees |  | | | | No. R&D Personnel | | | | | |  | | |
|  |
|  | ***4.1.2 Company Contact Info*** | | | | | | | | | | | | | |
|  | Address |  | | | | | | | | | | | | |
|  | Country |  | | | | | | Zip Code | | | |  | | |
|  | Telephone |  | | | | | | Fax | | | |  | | |
|  | Website |  | | | | | | E-mail | | | |  | | |
|  | ***4.1.3 Contact Person*** | | | | | | | | | | | | | |
|  | First Name |  | | | | | | Last Name | | |  | | | |
|  | Title |  | | | | | | Function | | |  | | | |
|  | Phone |  | | | | | | Mobile Phone | | |  | | | |
|  | Email |  | | | | | | | | | | | | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | ***4.1.4 Organization Background*** | | | | | | |
|  | General Business Description & Area of Expertise | | | | | | |
|  |  | | | | | | |
|  | Technology Description (Main Products/Services) and IP | | | | | | |
|  |  | | | | | | |
|  | Targeted Customers | | | | | | |
|  |  | | | | | | |
|  | Sales (for last 3 years) | | | | | | |
|  | | Current year (i) |  | i-1 |  | i-2 |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **5. Statement of Cooperation** | | | | | |
| The participants signing this form intend to cooperate within the project as described in this form, with the aim of realizing the technical developments as set forth under paragraph 2. In addition, the participants have or intend to put in place, a formal cooperation agreement(s) for IP sharing and terms of commercialization. The participants hereby acknowledge that should their proposal be selected for award, no funds will be released for execution until the companies have provided documentation of the cooperation agreement(s) that will be in effect for performing the project work. | | | | |
|  | **Signature of Partner 1** | | | | |
|  | Company Name | |  | | |
|  | First Name | |  | Last Name |  |
|  | Title | |  | | |
|  | Signature | |  | | |
|  |
|  |
|  | **Signature of Partner 2** | | | | |
|  | Company Name | |  | | |
|  | First Name | |  | Last Name |  |
|  | Title | |  | | |
|  | Signature | |  | | |

**Appendix B: Partnership Agreement Skeleton**

**DESIGNATION OF THE PARTIES**

Identify all the participating parties and their official representatives.

**PREAMBLE**

* Describe the context of the cooperation, its objectives and scope.
* Define the purposes of the consortium agreement (i.e. to specify the relationship among the parties, in particular concerning the organization of the work between the parties, the management of the bi-lateral project and the rights and obligations of the parties, liability, intellectual property rights and dispute resolution).

**ARTICLE 1 - DEFINITIONS**

Define the key legal and technical terminology in order to avoid misunderstanding.

**ARTICLE 2 - IMPLEMENTATION OF THE BI-LATERAL PROJECT**

* Describe the project in general terms and refer to technical annex for details, including work packages, allocation of tasks, milestones and planning of the Bi-lateral project.
* Define the foreseen achievements in terms of deliverables.
* Describe the technical responsibility and contribution (personnel, facilities, equipment, materials, etc.) of each party in the implementation of the Bi-lateral project.
* Indicate how much and what kind of assistance parties are obliged to give to each other in order to secure the proper execution of the Bi-lateral project.
* Determine reports (financial, technical…) to be submitted and timetable.

**ARTICLE 3 - PROJECT MANAGEMENT**

* Define the roles and responsibilities of each party from an administrative, legal, financial and technical point of view? Specify the additional duties of the leading party.
* Define the internal organization of the consortium (e.g. management bodies, committees and/or working groups; communication between the parties, prior notification, etc.).
* Describe the different bodies: role and internal rules (i.e. how are the members appointed? how decisions are taken? how many and when meeting will be organized?)
* Define the procedures set up to monitor and follow up the Bi-lateral project from a scientific, technical and financial point of views.
* Describe procedures in case of additional tasks or review of the initial work plan.
* Determine conditions under which existing parties may withdraw from the Bi-lateral project, or reduce or increase their contribution.
* Indicate to which extent subcontracting is possible.
* Define conditions under which additional parties may join the Bi-lateral project.

**ARTICLE 4 - FINANCIAL ISSUES**

* Indicate the global budget of the Bi-lateral project and the planning of expenses for each participant.
* If the planning is not observed, how and to which extent the schedule and budget may be adjusted?
* Indicate any national requirements (e.g. financial reports).

**ARTICLE 5 - INTELLECTUAL PROPERTY RIGHTS**

**5.1 OWNERSHIP**

* Define how the property of the project’s results will be allocated between the parties.
* Describe how joint ownership will be managed.
* Define conditions under which property of pre-existing know-how and project results may be transferred between the parties and towards third parties (notably affiliated entities).

**5.2 PROTECTION OF THE PRE-EXISTING KNOW-HOW AND PROJECT RESULTS**

Indicate how the project’s results will be protected (type of protection, duration, etc.).

**5.3 ACCESS RIGHTS TO AND EXPLOITATION OF PRE-EXISTING KNOW-HOW AND**

**PROJECT RESULTS**

* Determine which and how pre-existing know-how (protected or not) has to be exchanged for the proper execution of the Bi-lateral project.
* Define the access rights (including financial conditions, if any) to be granted to use the pre-existing know-how and project results (protected or not) during the implementation of the Bi-lateral project.
* Define the access rights (including financial conditions, if any) to be granted for exploitation of project’s results.
* Determine if and to which extent exclusive license may be granted between the parties and towards third parties.
* May sub-licenses be granted?
* Indicate whether access rights to third parties or affiliates are possible.
* Indicate how the parties will exploit the project results, i.e. jointly or separately.
* Indicate conditions for exploitation by third parties.
* Define potential royalties, or least principles for agreeing on potential royalties.

**ARTICLE 6 - CONFIDENTIALITY**

* Indicate to what extent information disclosed during the Bi-lateral project has to be considered as confidential.
* Stipulate which type of documents should be stamped and treated as "confidential" and the eventual exceptions.

**ARTICLE 7 - PUBLICATIONS**

Define to which extent publications of the project results are allowed and under which conditions.

**ARTICLE 8 - LIABILITY**

* Indicate to what extent a party causing damages or injury to another party or to goods or persons will be held liable.
* Define possible actions and financial penalties in case of damage or injury, including in case of withdrawal, fault or dismiss from the consortium?
* Define actions, solutions, penalties in case of bankruptcy.
* Provide for actions and remedies in case of *force majeure*.

**ARTICLE 9 - FINAL CLAUSES**

**9.1 ENTRY INTO FORCE**

Define when the consortium agreement comes into force and ends. Indicate whether part or all of its provisions are concerned.

**9.2 TERMINATION**

Determine the termination clauses and the consequences of the withdrawal of one or more parties, particularly in terms of communication, ownership and exploitation of the project’s results.

**9.3 LANGUAGE**

Define the language in which the consortium agreement is drafted, as well as worked in.

**9.4 GOVERNING LAW AND COMPETENT COURT**

* Provide for a governing law of the consortium agreement
* Decide and organize which the dispute resolution methods in case of internal conflict: competent court or alternative dispute resolution systems, like mediation, conciliation or arbitration.